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**PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

**Telecommunications Division  
Carrier Branch**

**RESOLUTION T-17051  
August 24, 2006**

**R E S O L U T I O N**

Resolution T-17051. Verizon California (U-1002-C) Requests Authority To Grandfather Switched Access Volume Election Plans in Schedule Cal. P.U.C. No. C-1 and to withdraw the Product by a Subsequent Advice Letter Filing on December 31, 2006.

By Advice Letter No. 11579 Filed June 30 2006 and AL 11579A and July 14, 2006

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**Summary**

This Resolution approves Verizon California's (Verizon) request to grandfather the Switched Access Volume Election plans. These services are in Verizon's tariff Schedule Cal. P.U.C. No. C-1. This resolution denies Verizon's request to withdraw the plans on December 31, 2006, but does authorize Verizon to withdraw the service with an advice letter filing when there are no remaining customers.

**Background**

By Advice Letter (AL) No. 11579, filed June 30, 2006, Verizon requests authority to grandfather Switched Access Volume Election (SAVE) Plans. This is not a service but a volume discount plan available to Inter-Exchange Carriers (IECs). Verizon also requested to be able to withdraw the SAVE plan by filing an advice letter on December 31, 2006. On July 14, 2006 Verizon filed supplemental AL 11579A to correct some notational omissions in the original filing.

The SAVE Plan was established in the Implementation Rate Design Decision (IRD or D.94-09-065) as a plan targeted at IECs to combat the growing bypass of Verizon's switched access network<sup>1</sup>.

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<sup>1</sup> D.94-09-065 mimeo, pages 123-126.

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The SAVE plan consists of four separate plans. These are for Originating MTS (Message Telecommunications Service), Terminating MTS, Originating WATS (Wide Area Telecommunications Service) and Terminating 800. WATS service was grandfathered by Resolution T-16907, dated January 27, 2005.

### **Notice/Protests**

Verizon indicates that copies of the Advice Letter were mailed to interested utilities and/or parties. Notice of Advice Letter No. 11579 was published in the Commission Daily Calendar of July 7, 2006. Notice of supplemental Advice Letter No. 11579A was published in the Commission Daily Calendar of July 19, 2006. No protests to this Advice Letter have been received.

Verizon sent to customers a notice explaining that the service would be grandfathered and that they could continue receiving the service.

### **Discussion**

Subsequent to the establishment of the SAVE plans Verizon did not get the response that it had anticipated. Verizon currently has only one customer on the SAVE plans. It is unlikely that any of the other IEC customers will sign up for the SAVE plans since they have been aware of the opportunity. There have been no requests for service since 1996.

Verizon has recently established a new billing program for all of its services. According to Verizon, the cost to incorporate the billing for the SAVE plan was not justified in the design of the billing program. Consequently the bill for the SAVE customer is manually prepared each month.

The Telecommunications Division (TD) recommends that Verizon be authorized to grandfather the SAVE plans since there is not customer demand for the service. TD recommends that Verizon not be authorized to withdraw the SAVE plans since there is still a customer remaining on the plans.

However if the customer on the SAVE plans discontinues service, then Verizon should be authorized to file an AL to withdraw the service.

There were some notations omitted from the tariff sheets attached to AL 11579 and TD requested that Verizon file a supplemental AL with the corrections. Verizon filed supplemental AL 11579A on July 14, 2006.

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Commission approval of TD's recommendations are based on the specifics of this Advice Letter and its associated tariff sheets, and does not establish a precedent for the contents of future filings or for Commission approval of similar requests.

This is an uncontested matter in which the resolution grants the relief requested. Accordingly, pursuant to PU code Section 311(g) (2), the otherwise applicable 30-day period for public review and comment is being waived.

### **Findings**

1. Verizon requests authority to grandfather the SAVE plans.
2. There is one IEC on the SAVE plans.
3. Verizon requests authority to withdraw the SAVE Plans with an advice letter to be filed on December 31, 2006.
4. The customer on the SAVE plans has been notified that the plan will be grandfathered.
5. Verizon filed supplemental Advice Letter 11579A on July 14, 2006 to correct some notational omissions in the original tariff sheets.
6. Verizon states that copies of this Advice Letter were mailed to interested utilities and/or parties.
7. Notice of AL No. 11579 was published in the Commission Daily Calendar of July 7, 2006. Notice of AL No. 11579A was published in the Commission Daily Calendar of July 19, 2006.
8. No protests to this Advice letter have been received.
9. Based on the reasons stated above by Verizon, TD recommends that Verizon be authorized to grandfather the SAVE plans.
10. Verizon should not be authorized to withdraw the service on December 31, 2006, while a customer remains on the service.
11. Verizon should be authorized to file an advice letter to withdraw the SAVE plans when there are no active customers.
12. We approve TD foregoing recommendations.

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**THEREFORE, IT IS ORDERED that:**

1. Verizon is authorized to make tariff revisions to grandfather its Switched Access Volume Election Plans.
2. Verizon shall mark all tariff sheets which accompany Advice Letters No. 11579 and 11579A to show that they were authorized by California Public Utilities Commission Resolution No. T-17051, with an effective date of August 24, 2006.
3. Verizon's request to withdraw the Switched Access Volume Election Plans with an advice letter to be filed on December 31, 2006 is denied.
4. Verizon is authorized to file an advice letter to withdraw Switched Access Volume Election Plans only when there are no remaining customers on the plans. The advice letter and accompanying tariff sheets will be marked to show that they are authorized by Resolution T-17051.

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This Resolution is effective today.

I hereby certify that the Public Utilities Commission adopted this Resolution at its regular meeting on August 24, 2006. The following Commissioners approved it.

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STEVE LARSON  
Executive Director